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Washington, D.C.

October 23, 2000

By Hand

Hon. Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street, N.W., Room 714  
Washington, D.C. 20423-0001

RECORDATION NO. **22706-A** FILED  
OCT 24 '00 7-50 AM  
TS  
SURFACE TRANSPORTATION BOARD

Dear Secretary Williams:

Enclosed for recordation, pursuant to the provisions of 49 U.S.C. §11301(a) and 49 C.F.R. Part 1177, are two (2) originals of a Partial Release of Security Interest, dated as of October 12, 2000, which should be recorded as a *secondary* document under STB Recordation No. 22706 (the next number is No. 22706-\_\_).

The names of the parties to the enclosed (and certain related) documents are:

Borrower/Grantors:	Kansas City Southern Industries, Inc. The Kansas City Southern Railway Company ("Borrower") Gateway Eastern Railway Company Gateway Western Railway Company
Lender/Collateral Agent:	The Chase Manhattan Bank, as Collateral Agent for certain Lenders under a Credit Agreement, dated as of January 11, 2000, with Kansas City Southern Industries, Inc. and The Kansas City Southern Railway Company

We request that the enclosed secondary document be indexed under *each* of the above-listed names.

A description of the railroad equipment covered by the enclosed document is as follows:

Three (3) GP-10 locomotives numbered MSRC-1047, MSRC-1011 and MSRC-1080 (formerly numbered IC-8151, IC-8076 and IC 8224)

A brief description of the enclosed document is as follows:

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Hon. Vernon A. Williams, Secretary

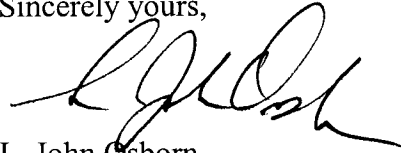
October 23, 2000

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Full and final release, as to only the railroad equipment described above, of the security interest created under the Security Agreement.

Also enclosed is a check in the amount of \$26.00, payable to the order of the Surface Transportation Board, which covers the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned.

Sincerely yours,

A handwritten signature in black ink, appearing to read "L. John Osborn", written in a cursive style.

L. John Osborn

Enclosures

INSTRUMENT OF PARTIAL RELEASE OF SECURITY INTEREST

THE CHASE MANHATTAN BANK ("Chase"), this 12 day of October, 2000, releases three GP-10 locomotives numbered MSRC 1047, 1011, and 1080 (formerly numbered IC 8151, 8076, and 8224) (the "Locomotives") from the security interest created under the Memorandum of Security Agreement, dated as of January 11, 2000 (the "Security Agreement") between Chase, as Collateral Agent for Secured Parties, and Kansas City Southern Industries, Inc., The Kansas City Southern Railway Company, Gateway Eastern Railway Company, Gateway Western Railway Company, and the Subsidiary Grantors (collectively the "Grantors").

WHEREAS, the Security Agreement was recorded at the Surface Transportation Board on January 13, 2000 at 4:05 p.m. under Recordation Number 22706; and

WHEREAS, Chase desires to execute this Instrument to evidence for the public record the satisfaction and release of all the rights and obligations of Grantors, under the Security Agreement with respect to the Locomotives;

NOW, THEREFORE, in consideration of the premises, Chase agrees that the lien on the Locomotives created by the Security Agreement is released.

IN WITNESS WHEREOF, Chase has executed or cause to be executed as of the date first above written.

By: [Signature]  
Its: Vice President

Illinois  
State of ~~New York~~ )  
      Cook ) ss.  
County of ~~New York~~ )

On this 12<sup>th</sup> day of October, 2000, before me, the undersigned Notary Public, personally appeared Robert Krasnow personally known to me to be the person who executed the within instrument as Vice President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.



[Signature]  
Notary Public for State of Illinois  
My Commission expires 3/10/02

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SURFACE TRANSPORTATION BOARD